

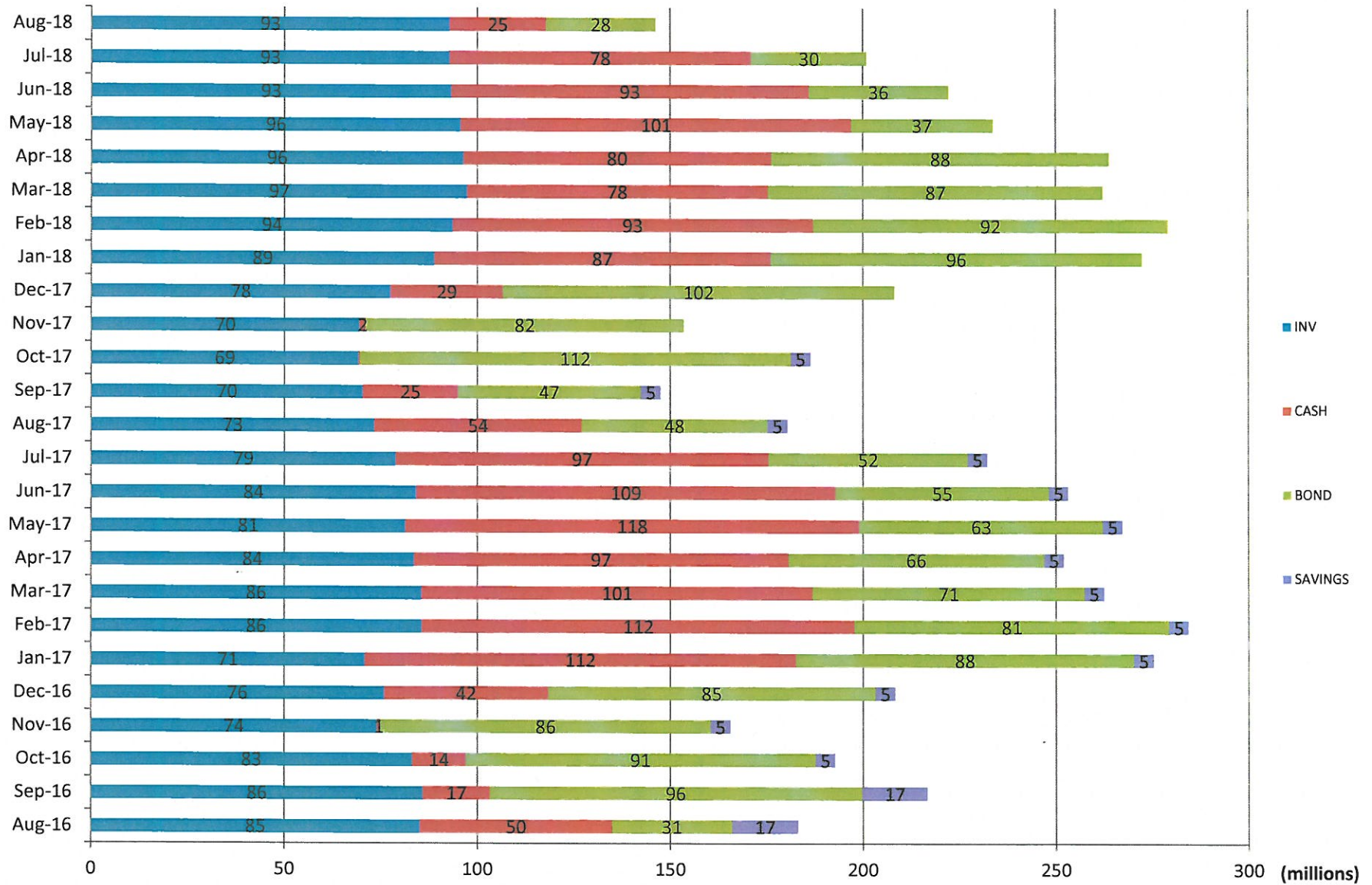
Louisville Metro Investment Council



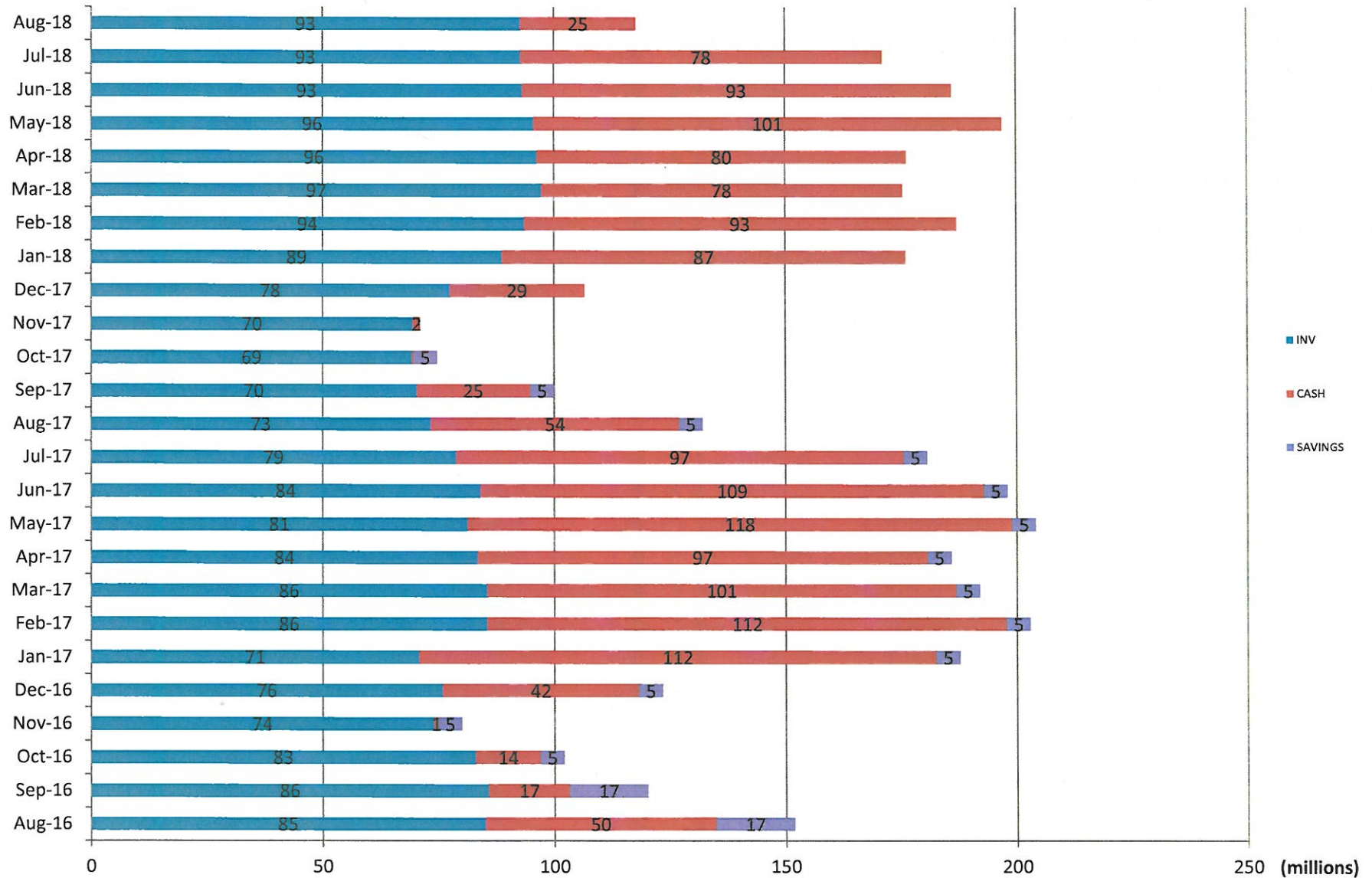
September 17, 2018

PORTFOLIO COMPOSITION

Metro Total Cash Position as of 8/31/18



Metro Cash Position (Excluding Bond Proceeds) as of 8/31/18

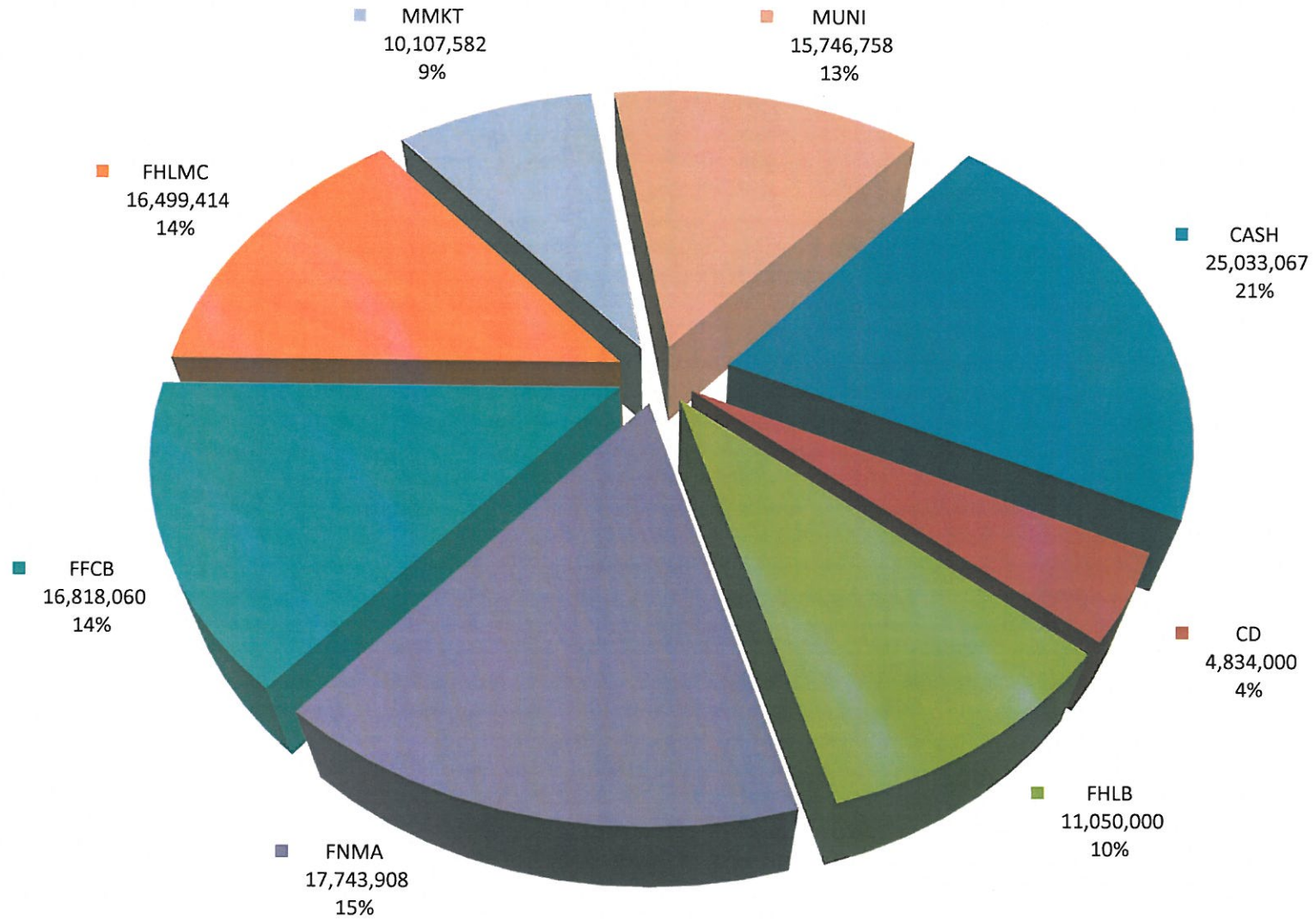


Acc Int / Amort / Mkt Val
Lou / Jeff Cty Metro Finance
Effective Interest - Callable Life
Receipts in Period
8/31/2018

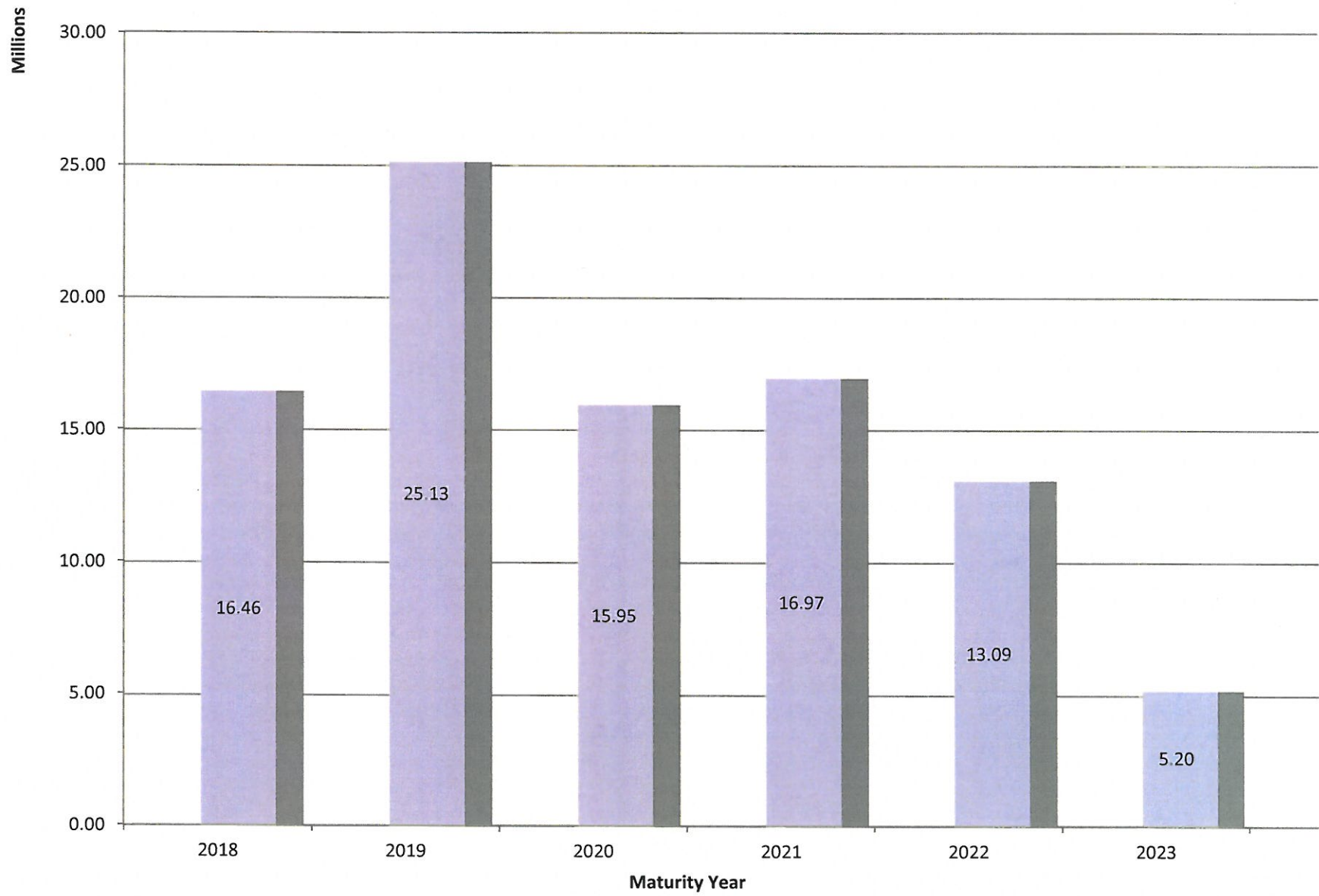
	Invest Number	CUSIP	Security Description	Call Date	Purchase Date	Ending Par Val/Shares	Ending Amor Val/Cost	Ending Market Val	Amortization Purch/Date	PTD Purch Received	Int/Div Rec Purch/Date	Int/Div Accrued Purch/Date	Purch Int + Acc Int
Cash	AR-0046	METRO CONC 53- 714868609	Cash Account	Open	09/22/08	16,711,291.02	16,711,291.02	16,711,291.02	0.00	0.00	930,046.47	0.00	0.00
	AR-0054	METRO SAFEKEEPING - 1050996303	Cash Account	Open	12/30/16	8,321,775.72	8,321,775.72	8,321,775.72	0.00	0.00	26,367.57	0.00	0.00
	Cash Total					25,033,066.74	25,033,066.74	25,033,066.74	0.00	0.00	1,332,310.77	0.05	0.05
Certificate of Deposit	18-0050	772	METRO 1.05 10/07/18	Open	10/06/17	100,000.00	100,000.00	100,000.00	0.00	0.00	874.53	70.00	70.00
	18-0051	YCB 1499	YCB 0.1499 10/23/18	Open	11/23/17	250,000.00	250,000.00	250,000.00	0.00	0.00	280.30	8.33	8.33
	18-0057	02007GAQ6	ALLY BK UTAH 2.25 01/27/20	Open	01/25/18	250,000.00	250,000.00	250,000.00	0.00	0.00	2,789.38	593.75	593.75
	18-0058	211163GW4	CONT BANK UTAH 2.10 07/26/21	Open	01/26/18	250,000.00	250,000.00	250,000.00	0.00	0.00	2,603.42	539.58	539.58
	18-0059	55266CYB6	MB FINL BK ILL 2.35 01/26/22	Open	01/26/18	250,000.00	250,000.00	250,000.00	0.00	0.00	3,412.33	81.60	81.60
	18-0060	58404DBA8	MEDALLION BK UTAH 2.40 01/26/22	Open	01/26/18	250,000.00	250,000.00	250,000.00	0.00	0.00	3,484.93	83.33	83.33
	18-0061	857894WJ4	STEARNS BK MINN 2.20 01/26/21	Open	01/26/18	250,000.00	250,000.00	250,000.00	0.00	0.00	3,194.50	76.39	76.39
	18-0062	27113PCG4	EAST BOSTON SVGS 2.30 07/30/21	Open	01/30/18	250,000.00	250,000.00	250,000.00	0.00	0.00	2,851.37	261.38	261.38
	18-0065	501798LQ3	LCA BANK CORPORATION 2.60 02/28/22	Open	02/28/18	246,000.00	246,000.00	246,000.00	0.00	0.00	3,171.72	71.07	71.07
	18-0067	856285JS1	ST BK IND NYC 3.00 03/06/23	Open	03/06/18	246,000.00	246,000.00	246,000.00	0.00	0.00	0.00	3,669.50	3,669.50
	18-0068	254673MW3	DISCOVER BANK 2.65 03/08/21	Open	03/07/18	246,000.00	246,000.00	246,000.00	0.00	0.00	0.00	3,205.17	3,205.17
	18-0070	75272LAD8	RANDOLPH SAVINGS BANK 2.60 03/09/22	Open	03/09/18	246,000.00	246,000.00	246,000.00	0.00	0.00	0.00	3,126.93	3,126.93
	18-0075	CD423	METRO 1.50 05/07/19	Open	05/07/19	1,000,000.00	1,000,000.00	1,000,000.00	0.00	0.00	3,780.82	1,000.00	1,000.00
	18-0084	CD075	METRO 1.50 06/07/19	Open	06/07/18	1,000,000.00	1,000,000.00	1,000,000.00	0.00	0.00	2,506.85	1,000.00	1,000.00
	Certificate of Deposit Total					4,834,000.00	4,834,000.00	4,834,000.00	0.00	0.00	28,950.15	13,787.03	13,787.03
FFCB	17-0010	3133EGNK7	FFCB 1.32 07/27/20	07/27/17	07/27/16	3,000,000.00	3,000,000.00	2,923,110.00	0.00	0.00	79,200.00	3,740.00	3,740.00
	17-0022	3133EGVJ1	FFCB 1.16 09/26/19	09/26/17	09/27/16	3,000,000.00	3,000,000.00	2,956,980.00	0.00	96.67	52,200.00	14,983.33	15,080.00
	17-0077	3133EHMG5	FFCB 1.80 03/12/21	09/12/17	08/22/17	2,000,000.00	2,000,000.00	1,953,680.00	1,400.00	5,000.00	27,000.00	16,900.00	17,900.00
	18-0052	3133EHL43	FFCB 1.55 07/26/22	01/29/18	01/23/18	1,850,000.00	1,850,000.00	1,807,376.00	20,442.50	9,778.02	29,831.25	3,867.01	13,479.30
	18-0053	3133EHLR9	FFCB 2.00 07/19/21	07/19/18	01/23/18	1,769,000.00	1,769,000.00	1,724,721.93	12,383.00	393.11	17,690.00	4,127.67	4,520.78
	18-0063	3133EJCG2	FFCB 2.73 02/14/22	02/14/19	02/27/18	2,000,000.00	1,999,060.46	1,995,300.00	1,060.46	1,971.67	27,300.00	2,578.33	4,550.00
	19-0002	3133EJYC7	FFCB 3.17 08/28/23	08/28/19	08/28/18	3,200,000.00	3,200,000.00	3,192,160.00	0.00	0.00	0.00	845.33	845.33
	FFCB Total					16,819,000.00	16,818,060.46	16,553,327.93	35,285.96	17,239.47	233,221.25	47,041.67	60,115.41
FHLB	16-0071	3130A8JZ7	FHLB 1.22 12/30/19	06/30/17	06/30/16	2,900,000.00	2,900,000.00	2,849,192.00	0.00	0.00	70,760.00	5,994.94	5,994.94
	17-0034	3130A8RP0	FHLB 1.05 10/26/18	10/26/16	10/11/16	2,000,000.00	2,000,000.00	1,996,800.00	400.00	4,812.50	36,750.00	7,291.67	11,666.67
	17-0046	3130AAQV3	FHLB 1.67 04/30/20	01/30/18	02/02/17	2,400,000.00	2,400,000.00	2,362,992.00	0.00	6,828.44	60,120.00	3,451.33	3,674.00
	17-0066	3130AAQB7	FHLB 2.00 08/16/21	02/16/18	02/16/17	2,000,000.00	2,000,000.00	1,946,480.00	0.00	0.00	60,000.00	1,666.67	1,666.67
	19-0001	3130AEF47	FHLB 3.15 06/07/23	06/07/23	08/23/18	1,750,000.00	1,750,000.00	1,745,205.00	0.00	0.00	0.00	1,225.00	12,862.50
	FHLB Total					11,050,000.00	11,050,000.00	10,900,669.00	400.00	11,640.94	227,630.00	19,629.61	35,864.78
FHLMC	16-0051	3134G9JT5	FHLMC 1.35 11/26/19	08/26/16	05/26/16	1,500,000.00	1,500,000.00	1,477,845.00	525.00	0.00	40,500.00	5,343.75	5,343.75
	16-0052	3134G9KW6	FHLMC 1.35 11/26/19	08/26/16	05/26/16	2,000,000.00	2,000,000.00	1,970,400.00	2,200.00	0.00	54,000.00	7,125.00	7,125.00
	16-0059	3134G9NE3	FHLMC 1.20 06/14/19	06/14/17	06/14/16	2,000,000.00	2,000,000.00	1,981,200.00	0.00	0.00	48,000.00	5,133.33	5,133.33
	16-0070	3134G9WJ2	FHLMC 1.20 09/30/19	09/30/16	06/30/16	1,000,000.00	1,000,000.00	985,830.00	0.00	0.00	21,000.00	5,033.33	5,033.33
	16-0072	3134G9YA9	FHLMC 1.01 09/28/18	12/28/16	06/30/16	2,000,000.00	2,000,000.00	1,998,700.00	0.00	2,581.11	35,350.00	8,585.00	8,641.11
	17-0016	3134G9W37	FHLMC 1.45 08/10/20	11/10/16	08/10/16	1,500,000.00	1,500,000.00	1,466,175.00	0.00	0.00	43,500.00	1,268.75	1,268.75
	17-0035	3134GAPV0	FHLMC 1.03 10/12/18	01/12/17	10/12/16	2,000,000.00	2,000,000.00	1,997,740.00	0.00	0.00	30,900.00	7,953.89	7,953.89
	18-0064	3134GSDN2	FHLMC 2.70 02/15/22	02/15/19	02/27/18	2,500,000.00	2,499,413.96	2,472,025.00	663.96	2,250.00	33,750.00	3,000.00	5,250.00
	18-0072	3134GSGF6	FHLMC 2.625 09/15/21	03/15/19	03/15/18	2,000,000.00	2,000,000.00	1,984,640.00	0.00	0.00	0.00	24,208.33	24,208.33
	FHLMC Total					16,500,000.00	16,499,413.96	16,334,555.00	3,388.96	4,831.11	307,000.00	67,651.38	69,957.49
FNMA	16-0046	3135G0J95	FNMA 1.35 10/28/19	10/28/16	05/19/16	1,000,000.00	1,000,000.00	985,540.00	1,000.00	787.50	27,000.00	4,612.50	5,400.00
	16-0048	3136G3MQ5	FNMA 1.30 11/25/19	11/25/16	05/25/16	2,000,000.00	2,000,000.00	1,969,080.00	0.00	0.00	52,000.00	6,933.33	6,933.33
	16-0067	3136G3TR6	FNMA 1.05 06/28/19	06/28/17	06/28/16	2,000,000.00	2,000,000.00	1,978,000.00	0.00	0.00	42,000.00	3,675.00	3,675.00
	17-0011	3136G3L37	FNMA 1.125 10/28/19	07/28/17	07/28/16	2,000,000.00	2,000,000.00	1,968,520.00	0.00	0.00	45,000.00	2,062.50	2,062.50
	17-0025	3136G34K8	FNMA 1.125 09/09/19	03/09/17	09/28/16	2,500,000.00	2,500,000.00	2,467,025.00	1,250.00	1,484.38	42,187.50	13,437.50	14,921.88
	18-0054	3134G95P8	FNMA STEP 1.625 08/25/21	02/25/18	01/26/18	2,000,000.00	2,000,000.00	1,960,980.00	15,000.00	13,631.94	33,750.00	6,625.00	13,986.11
	18-0055	3136G3ZP3	FNMA STEP 1.50 07/28/21	04/28/18	01/23/18	2,000,000.00	2,000,000.00	1,977,280.00	2,000.00	14,583.33	30,000.00	3,666.67	18,250.00
	17-0048	3136G4KD4	FNMA 1.75 06/29/20	06/29/17	02/03/17	2,000,000.00	2,000,000.00	1,968,060.00	0.00	3,305.56	52,500.00	6,027.78	9,333.34
	18-0056	3136G4QE6	FNMA 2.20 10/26/22	10/26/18	01/23/18	2,250,000.00	2,243,908.48	2,189,317.50	24,051.95	11,962.50	24,750.00	17,187.50	29,150.00
	FNMA Total					17,750,000.00	17,743,908.48	17,463,802.50	43,301.95	45,755.21	349,187.50	58,227.78	103,712.16
Money Market	AR-0001	MMKT FED - 5000638	Money Market	Open	07/01/99	160.78	160.78	160.78	0.00	0.00	1,652,555.12	0.00	0.00
	AR-0006	TARC FED - 4485281	Money Market	Open	07/01/99	0.00	0.00	0.00	0.00	0.00	30.61	0.00	0.00
	AR-0058	JPMORGAN MMKT - 00005017334	Money Market	Open	12/19/17	2,021,117.05	2,021,117.05	2,021,117.05	0.00	0.00	21,117.04	0.00	0.00
	AR-0059	GOLDMAN SACHS MMKT - 0188506760	Money Market	Open	12/19/17	3,032,691.87	3,032,691.87	3,032,691.87	0.00	0.00	32,691.86	0.00	0.00
	AR-0060	FEDERATED MMKT - 06090498885	Money Market	Open	12/19/17	2,021,198.07	2,021,198.07	2,021,198.07	0.00	0.00	21,198.06	0.00	0.00
	AR-0061	DREYFUS MMKT - 0616753258	Money Market	Open	12/19/17	3,032,414.52	3,032,414.52	3,032,414.52	0.00	0.00	32,414.51	0.00	0.00
	Money Market Total					10,107,582.29	10,107,582.29	10,107,582.29	0.00	0.00	1,760,007.20	0.00	0.00

Municipal Bond	15-0045	613357AF9	MONTG CO 2.44 11/01/19	Open	06/25/15	500,000.00	503,655.84	499,035.00	-9,594.16	1,830.00	36,600.00	4,066.67	5,896.67
	16-0065	64971WFF39	NYC TRAN FIN AUTH-SUB 1.69 02/01/21	Open	06/23/16	1,350,000.00	1,354,462.38	1,310,782.50	-3,894.12	4,999.58	51,967.49	1,901.25	5,830.50
	17-0004	047681N20	ATLANTA ETC REC 2.41 12/01/19	Open	07/22/16	720,000.00	729,425.06	714,873.60	-15,544.54	2,440.96	63,643.17	4,338.00	6,796.20
	17-0012	555542L56	MACON-BIBB CNTY GA 3.00 12/01/20	Open	08/01/16	425,000.00	439,527.98	424,366.75	-13,037.52	2,104.72	25,439.17	3,187.50	5,312.50
	17-0027	64990E4G9	NY DORM AUTH C-TXBL 1.10 02/15/20	Open	09/30/16	1,000,000.00	1,000,000.00	975,680.00	0.00	1,138.20	21,052.78	488.89	916.67
	17-0028	64990EEL7	NYS DORM AUTH C-TXBL 2.12 03/15/21	Open	09/30/16	2,000,000.00	2,028,261.21	1,958,600.00	-20,638.79	1,766.67	63,600.00	19,551.11	21,317.78
	17-0029	64971WNN97	NY TRANSITION TXBL 1.35 08/01/20	Open	09/30/16	2,625,000.00	2,634,922.98	2,553,521.25	-9,712.02	4,162.27	65,854.69	2,953.13	3,740.63
	17-0032	597137GZ5	MIDDLETOWN OH 2.053 12/01/20	Open	10/07/16	400,000.00	405,318.63	392,376.00	-4,357.37	2,831.62	16,363.17	2,053.00	4,744.71
	17-0051	696824AV7	CA PDTDEV 2.75 10/01/22	Open	02/06/17	1,000,000.00	998,081.82	980,270.00	701.82	3,235.92	32,159.72	11,458.33	11,916.66
	17-0059	485429Y32	KANSAS ST DEV AUTH 2.608 04/15/20	Open	02/08/17	775,000.00	783,720.79	772,078.25	-8,150.96	6,344.32	30,318.00	7,635.64	13,979.96
	17-0075	041042ZV7	ARKANSAS ST 2.875 06/01/21	Open	06/09/17	800,000.00	822,365.88	799,136.00	-9,634.12	511.11	23,000.00	5,750.00	6,261.11
	17-0076	64966HYC8	NEW YORK GO 4.774 03/01/20	Open	06/27/17	1,000,000.00	1,042,301.91	1,027,890.00	-32,358.09	15,382.89	47,740.00	23,870.00	39,252.89
	18-0071	64966MWH8	NYC GO 2.80 03/01/22	Open	03/13/18	2,500,000.00	2,509,756.07	2,479,650.00	-1,218.93	0.00	0.00	35,000.00	35,000.00
	18-0090	914713H21	NORTH CAROLINA 2.285 12/01/20	Open	06/13/18	500,000.00	494,957.20	492,960.00	472.20	0.00	0.00	2,475.42	2,856.25
Municipal Bond Total						15,595,000.00	15,746,757.75	15,381,219.35	-126,966.60	46,748.26	448,738.19	124,728.94	163,822.53
Investment Total						117,688,649.03	117,832,789.68	116,608,222.81	-44,589.43	126,214.99	4,687,045.06	331,066.46	447,259.45

Total Portfolio Asset Allocation as of 8/31/2018

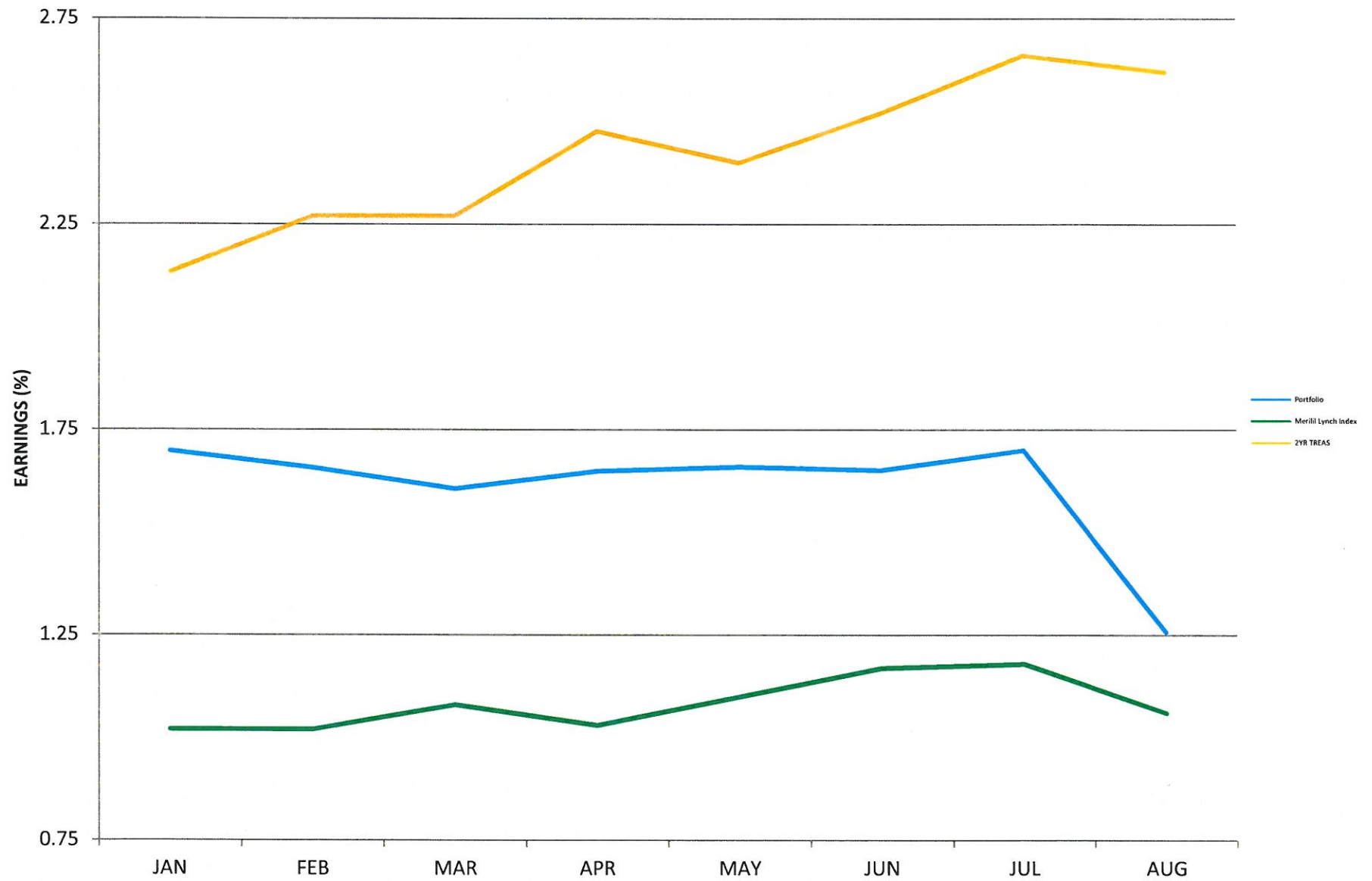


Investment Portfolio by Maturity as of 8/31/18



PORTFOLIO PERFORMANCE

Portfolio Performance as of 8/31/18



DATA ANALYSIS

Metro Cash Position

Balances continue to decline but at a much sharper rate for the month of August. We have not seen cash levels this low for the month of August in quite some time so this is something to watch. Part of this (roughly \$10 million) can be attributed to the recent investment into Money Market funds that we haven't had the last few years. In addition to the Money Market funds, there were also 3 pay periods that hit in the month of August which explains part of the sharp decline as well. Regardless, we will need to monitor cash levels closely the next few months as debt service payments will be made reducing any tax revenues we would receive from the Revenue Commission.

Asset Allocation

There was activity for the month of August to report.

Purchase: \$3.2 million FCCB 3.17% 8/28/23
 \$1.75 million FHLC 3.15% 8/28/23

Sold: \$2 million FHLMC 1.18% 5/24/19
 \$2 million FHLMC 1.00% 12/28/18
 \$1 million FHLMC 1.00% 12/28/18

There were significant changes in allocation across all sectors of the portfolio. This can be attributed to the activity mentioned above but also the decrease in cash levels.

Maturity Distribution

The maturity distribution has changed slightly, mostly due to the activity above. We see a slight decrease in the 2018 & 2019 sectors, while there is an increase in the 2023 sector. There were no other changes to the distribution.

Portfolio Performance

Performance to a hit this month which is due to the activity listed above. Metro did take a loss in the sale of the listed investments, however, the coupons for the newly purchased investments are roughly 3x greater than the investment sold that the loss will be offset by the end of the year. Performance will take a dip for August but should actually increase moving forward.

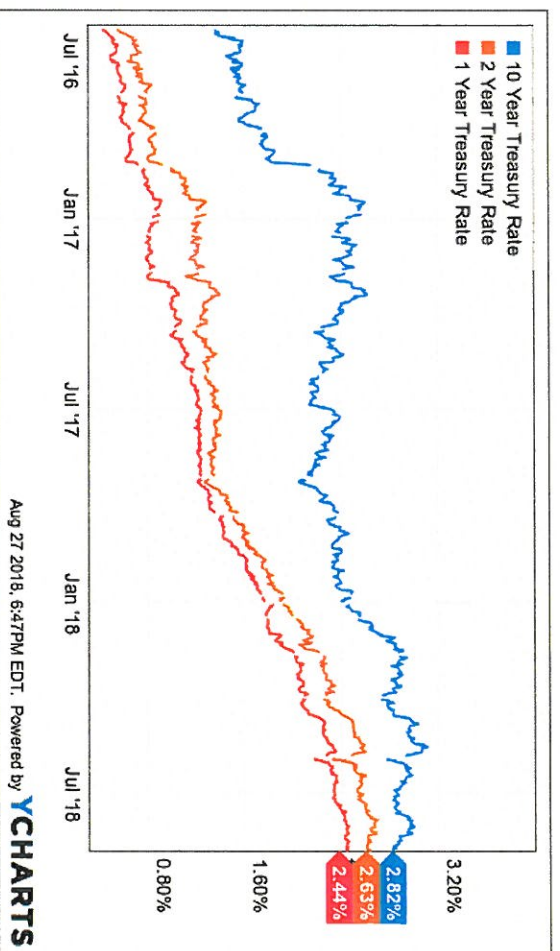
ECONOMIC UPDATE

ECONOMIC UPDATE

The FOMC is entering their blackout period ahead of next week's rate decision. This is interesting because there is a lot of conflicting data out right now. You have potential weakening and distortions in data related to Hurricane Florence, trade data, and the recent softening in housing data. These weakening numbers seem strange because US equities markets are posting all-time highs all over the place. Despite all the conflicting information that's out there, it's all but certain that the FOMC will vote to raise rates again at their September meeting. In addition to that, members appear to be ready to go forward with another hike in December which would bring the 4th rate hike of 2018.

So the question remains, how much longer can this period of growth last? Perhaps not much longer. The US seems to be trading separately from the rest of the world with nearly all of the G20 countries trading double-digits below their all-time highs. One can only wonder how long this can go on and with the recent news in tariffs and trade wars, it's unlikely that it goes on for much longer. Just to reinforce that theory, the US has approved another \$200 billion in tariffs on China which has retaliated with \$60 billion in tariffs of its own.

So with all of the speculation in the numbers and impacts of trade wars, there is one thing that we can look to as a solid indicator of what's to come: the yield curve. Remember, the yield curve has accurately predicted/preceded the last 7 recessions making a fairly reliable source.



The chart above shows the flattest the yield curve has been in over a decade and with the Fed expected to raise rates twice this year, the curve will only get flatter. Although the market can remain irrational a little longer, eventually it will come to end. Despite what many may believe, or hope for, things will revert back to normal. It may take weeks, months, or even a year but sooner or later it will come to an end and investors will need to watch for the market signals and adjust their strategy along the way.

Total Portfolio Shock Table

Lou / Jeff Cty Metro Finance

Effective Interest - Actual Life

Receipts in Period

8/31/2018

<i>Data Category</i>	<i>Down 300</i>	<i>Down 200</i>	<i>Down 100</i>	<i>Current</i>	<i>Up 100</i>	<i>Up 200</i>	<i>Up 300</i>
Current Par	92,655,582.29	92,655,582.29	92,655,582.29	92,655,582.29	92,655,582.29	92,655,582.29	92,655,582.29
Amor. Cost	92,732,979.33	92,732,979.33	92,732,979.33	92,732,979.33	92,732,979.33	92,732,979.33	92,732,979.33
Market Value	91,327,512.07	91,410,060.07	91,492,608.07	91,575,156.07	91,657,704.07	91,740,252.07	91,822,800.07
% Change	-0.27 (0.09)	-0.18 (0.09)	-0.09 (0.09)	0.00 (0.09)	0.09 (0.09)	0.18 (0.09)	0.27 (0.09)
Market Price	98.57	98.66	98.74	98.83	98.92	99.01	99.1
Market Yield	2.7063	2.5988	2.4916	2.3845	2.2776	2.1709	2.0643
Gain / Loss	-1,405,467.26	-1,322,919.26	-1,240,371.26	-1,157,823.26	-1,075,275.26	-992,727.26	-910,179.26

The table above represents the interest rate risk of the investment portfolio of individual fixed incomes securities. By adjusting current market rates and by using the matrix pricing technique, the portfolio was subjected to an immediate interest rate shock of plus or minus 300 basis points. The results in weighted average total is presented above which details the projected market value, market price, total unrealized gain (loss) and percentage market value change from the current interest rate environment.